

## **Course: Foundations of Economics**

### **Assessment 1: Group coursework**

Submission deadline: TW14

Lecturer: Jamshid Normatov

*Assessment 1 checks the following learning outcomes:*

- 1. Interpret simple economic stories using the graphical tools of supply and demand diagrams and verbal reasoning;*
- 2. Model the individual economic behavior of households and firms using demand and supply curves;*
- 3. Use economic data to identify economic trends;*
- 4. Suggest recommendations for increasing revenue based on elasticities calculation.*

## **TASK**

Assume that you work in a team of economic consultants. Your team is given a task to investigate a local market for a certain product (or service) and suggest recommendations on how to make profit in the market.

In order to complete the task you should:

1. Select a specific good or service from Uzbekistan's market;
2. Provide an overview of the chosen good or service (is it normal, luxury or inferior; who are the main producers of this good currently in Tashkent/Uzbekistan);
3. Provide a description of factors, which may or have already affected demand and supply of the chosen good (discuss relevant non-price determinants of demand and supply). You should bring practical examples to support your statements. The impact of demand/supply curve should be illustrated graphically. [For example, new competitor entered the market. It resulted in larger supply of the product, supply curve shifted to the right and market price fell.]
4. Predict price elasticity of demand for the good based on three main factors. Base your discussion on real-life evidence.
5. Based on elasticity of the good, give recommendations how the businessmen may increase profit (should he/she increase or decrease the price, assuming constant costs of production?)

**Your results will be presented in two forms:**

1. Oral presentations during the Week 14.
2. One group report in written form (this report should outline the contribution of each group member to research process).

**The report and presentation should have the following structure:**

1. Introduction (aim, an overview of the chosen good/service)
2. Non-price determinants of demand and supply for the good (should include discussion)
3. Elasticity
4. Recommendations
5. References

**Format of report**

1. Word-processed Times New Roman/ Arial 12, 1.5 spaced and printed single-sided on A4 paper.
2. Word limit: 1500 words
3. The cover sheet should state your ID number, module title and tutor's name
4. Include a contents page giving the headings and page numbers of each section.
5. Pages should be numbered.
6. Please do not submit any loose pages.
7. Use Harvard method of referencing

**Format of presentation:**

1. During oral presentation you may use power point slides, posters, flip charts, whiteboard or any other tool
2. The duration of the presentation is limited to 15 minutes.

You may expect a short Revision session at teaching week 13.

## Assessment Criteria

Assessment criterion	Portion from the total mark	0-29	30-39	40-49	50-69	70-80	81-100
<b>Ability to use economic terms correctly and understanding of the theories behind the terms</b>	<b>15%</b>	Student either do not use any economic terms or use them incorrectly, demonstrating complete ignorance of their meaning	Student use economic terms, but the usage does not demonstrate complete awareness of the meaning, Misunderstanding of certain concepts is evident.	Students' usage of economic terms is correct but limited.	Students uses all known up to the moment economic terms (e.g. types of the goods, types of the non-price determinants, changes in demand and quantity demanded, etc.) correctly.	Students use all known up to the moment terms correctly and through the discussion demonstrates full understanding of the theory behind them.	Students demonstrate brilliant understanding of economic concepts and uses economic terms fluently. The language of analysis is identical to published economic articles.
<b>Ability to provide relevant examples and link the examples provided to corresponding economic theory</b>	<b>25%</b>	Students fail to provide adequate examples and link them to existing economic theories	Students provide some examples, but those are only partially relevant. They make mistakes in providing economic interpretation of the real-life examples.	Students provide mostly relevant examples, and discusses them in the light of economic theories correctly but in a superficial way.	Students provide relevant examples and link them to the theories correctly; some deep understanding is evident.	Students draw an analogy between relevant real-life examples and theoretical discussion correctly and fluently.	Students draw an analogy between relevant real-life examples and theoretical discussion correctly and beyond the scope of the taught material.
<b>Ability to search for relevant statistical data</b>	<b>15%</b>	Students fail to find any relevant economic data	Students were able to find some statistical data, but use unreliable sources and are not able to professionally present the data	Students were able to find relevant statistical data, and have clearly presented the data		Students have collected relevant data from a reliable source, and have presented it in a professional manner	

<b>Ability to illustrate the impact of changes is non-price determinants of demand(supply)/ individual behaviour with the help of demand and supply graphs</b>	<b>15%</b>	Students either do not illustrate the discussed events graphically or illustrate them incorrectly.	Students use graphs to demonstrate market events but there are mistakes in graphs or students draw correct graphs but for a few events.	Students illustrate graphically all the events in the market correctly but do not provide any explanation of the graphs.	Students illustrate graphically all events in the market correctly and provide some explanation of the graphs.	Student illustrates graphically all events in the market correctly and provides full explanation of the graphs.	Students illustrates graphically all events in the market correctly and provide explanation of the graphs beyond the scope of the taught material.
<b>Ability to calculate elasticity from the data found and to interpret the results</b>	<b>20%</b>	Students give very few, mostly irrelevant ideas regarding the elasticity of demand for the product	Students have calculated elasticity, but made several significant mistakes. Interpretation of the results obtained is limited.	Students have correctly calculated elasticity of demand, interpretation provided does not contain any major errors.	Students have correctly calculated and interpreted the elasticity figure.	Students have correctly calculated price elasticity of demand and provided very relevant and sophisticated discussion of the results obtained.	
<b>Ability to structure the presentation, participation of all team members, ability to deal with questions and properly acknowledge sources of information used</b>	<b>10%</b>	The structure is not clear. Students jump from one idea to another. They are not able to deal with the questions and properly refer to the sources of data used.	Both presentation are structured, though it is difficult to follow the line of arguments. Not all members of the team are equally involved. Not all team members are able to answer questions at the end of the presentation. No acknowledgement of data sources.	The structure is clear; all team members are involved during both the presentation and the Q&A session. There are few mistakes in the answers.	The structure is clear and logical. All team members are involved and are enthusiastic and professional in dealing with questions. All sources are properly acknowledged, professional use is made of the visual aids.		